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**FEB 26 1999**

**FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY**

February 26, 1999

**VIA HAND DELIVERY**

Ms. Magalie Roman-Salas  
Secretary  
Federal Communications Commission  
425 12th Street, S.W.  
Washington, DC 20554

**Re: Oral Ex Parte Representation in CC Docket No. 98-184**

Pursuant to section 1.1206 of the Commission's rules, please find an original and two copies of the oral ex parte presentation made in the above captioned proceeding on February 24, 1999 to Michele Carey, Michael Kende, Clair Blue, Quyen Truong, William Dever of the Common Carrier Bureau, and Pamela Megna of the Office of Policy and Plans.

GST Telecom Inc. employees Brian Thomas, Vice President for External Affairs, and Barry Pineles, Regulatory Counsel met with the above individuals to discuss the proposed merger between Bell Atlantic and GTE.

At the meeting, GST reviewed its basic position that sufficient Commission precedent exists to stop the merger based on GTE's failure to comply with Commission regulations. However, GST then noted that it was not necessarily the intention of our filing comments to prevent the merger. Instead, the merger review process presented GST with an opportunity by which the Commission could ensure that GTE would be forced to comply with market-opening provision of the Telecommunications Act of 1996, since section 271 of the Communications Act of 1934, as amended, did not apply to GTE. GST then reviewed the problems that it had with the GTE, particularly routing according to the LERG, reiterated the point that GST made in its comments on the proposed merger concerning GTE's failure to route according to the LERG, mentioned that GST has had to open many trouble tickets to resolve routing and number porting problems, and the delays required to GST to make substantial credits available to customers.

The Commission staff then turned to a discussion of whether these issues were appropriate to address in the context of the merger. GST responded that while it would be possible to resolve such problems, either through the filing of a section 208 complaint at the FCC (with the legal authority to do so still questionable after the Supreme Court decision in *AT&T v.*

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*Iowa Utils. Bd.*) or through a complaint at a state commission, there is nothing to prevent the recurrence of the problem absent some type of future condition that applies to the same or similar problems. However, GST noted that it might examine alternative methods of resolving this issues short of filing complaints. GST then noted that these types of conditions would be no different then properly conditioning the merger to ensure that the problems do not occur. GST did not provide specific merger conditions that it thought would be appropriate but would think about that issue.

GST also noted that it thought that the Commission only need a preponderance of the evidence to support conditions. GST, however, cautioned the Commission staff that they should not hold conditions on the merger to a higher standard of proof than that imposed on Bell Atlantic and GTE to prove that the proposed merger is in the public interest.

The Commission staff then addressed the question of whether the efficiency of interconnection worsened after SBC purchased Pacific Telesis. While GST presented no statistical evidence, its anecdotal review of the situation led it to conclude that the interconnection process became more troublesome after SBC purchased Pacific Telesis.

Finally, the Commission asked GST whether it would in the future be willing to discuss the problems associated with becoming a competitive local exchange carrier and competing against incumbents, particularly Bell Operating Companies. GST offered to provide the Commission staff whatever information it thought necessary on this issue.

Please excuse the one-day delay in the filing of this notice as GST employees were traveling and unable to submit this document any sooner. GST does not believe that the one-day delay will prejudice any of the parties involved in this proceeding. Should there be any questions concerning this filing, please direct them to the undersigned at 360-356-7104. Please date stamp the additional copy and return it to the courier.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry Pineles". The signature is fluid and cursive, with the first name "Barry" and last name "Pineles" clearly distinguishable.

Barry Pineles  
Regulatory Counsel for GST Telecom Inc.

Enclosures

### Certificate of Service

I, Barry Pineles, caused the written summarization of an oral ex parte presentation in CC

Docket No. 98-184, to be hand-delivered to the following on February 26, 1999:

Michele Carey  
Common Carrier Bureau  
FCC  
1919 M Street, N.W.  
Room 534-J  
Washington, DC 20554

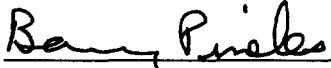
Michael Kende  
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Barry Pineles  
Regulatory Counsel